



Residential Tenancies Act Reforms

Summary of changes

Previous

Periodic tenancies can be ended by the landlord for any reason and without a requirement to tell the tenant why, with 90 days' notice.

Notice periods are 42 days to end a periodic tenancy where:

- The owner, or their family member, requires the property to live in.
- the property is needed for an employee (and this is in the tenancy agreement).
- the property has been sold with a requirement by the owner for vacant possession.

Notice period is determined by the Tenancy Tribunal when landlord applies to the Tribunal to end the tenancy

- Tenant is at least 21 days in rent arrears
- Tenant has assaulted or threatened to assault the landlord or others.
- Tenant has caused or threatened to cause substantial damage.
- Tenant has not complied with a 14 day notice to remedy a breach of the RTA or tenancy agreement.

Fixed-term tenancy agreements cannot be ended early unless by mutual agreement or Tribunal order.

Fixed-term tenancy agreements convert to periodic tenancies unless:

- A landlord or tenant gives notice between 21 and 90 days before the term ends.
- The parties agree to extend or renew the fixed-term tenancy.

Withdrawal by tenant experiencing family violence

Nothing specific to support tenants experiencing family violence.

Installing a minor change – tenants must get landlord's consent and landlords cannot unreasonably withhold their consent.

New



Periodic tenancies can only be ended by the landlord for one of the following reasons:

Notice period is determined by the Tenancy Tribunal when landlord applies to the Tribunal to end the tenancy

- The landlord issued a tenant three notices for separate anti-social acts in a 90-day period.
- The landlord gave notice that a tenant was at least five working days late with their rent payment on three separate occasions within a 90-day period.
- The landlord will suffer greater hardship than the tenant if the tenancy continues.
- Existing provisions relating to rent arrears, damage, assault and breaches still apply.

14 days' notice

- The tenant physically assaulted the landlord or their family and the Police laid a charge.

63 days' notice

- The owner, or their family, requires the property to live in.
- The landlord customarily uses the premises for occupation by employees or contractors and the premises are needed for that purpose (and this is stated in the tenancy agreement).

90 days' notice

- The owner intends to put the premises on the market.
- The property has been sold with a requirement by the owner for vacant possession.
- The landlord is not the owner of the property, and the landlord's interest ends.
- The premises need to be vacant to facilitate the use of nearby land for a business activity (and this is stated in the tenancy agreement).
- The landlord wants to change the use of the premises to a commercial use.
- The landlord intends to carry out extensive renovations at the property and it would be impractical for the tenant to live there during that process.
- The premises are to be demolished
- Reasons specific to social housing tenancies.



A landlord can terminate a fixed-term tenancy with 14 days' notice where the tenant physically assaulted the landlord or their family and the Police laid a charge.



Fixed-term tenancy agreements convert to periodic tenancies unless:

- A landlord gives notice using the reasons listed in the RTA for periodic tenancies
- A tenant gives notice for any reason at least 28 days before the end of the tenancy
- The parties agree otherwise e.g. to renew the fixed term or to end the tenancy



Tenants who are experiencing family violence can withdraw from a tenancy by giving two days' notice, accompanied by appropriate evidence of the family violence. Regulations will be created to specify what constitutes evidence.

Provisions are also included for protecting the privacy of a victim from unauthorised disclosure of this notice and in relation to Tenancy Tribunal hearings.

Remaining tenants in the tenancy may receive a temporary rent reduction formula.



Where a tenant requests a change that is minor, the landlord must give permission. The Residential Tenancies Act 1986 outlines what changes will be minor. The landlord can impose reasonable conditions around how that minor change is carried out. Tenants must remove the minor changes and remediate the property when the tenancy ends.



MINISTRY OF HOUSING AND URBAN DEVELOPMENT

Previous

Fibre broadband

Landlords have no obligations relating to fibre broadband.
The Ultra-Fast Fibre Broadband Scheme offers fibre installation for free but relies on mutual agreement.

Rent setting and increases

No rules around rental bidding.
Rent can be increased every six months.

Privacy and access to justice

Name suppression provisions are unclear.

Assignment

Fixed-term tenancy agreements can prohibit assignment.

Providing information

Landlords can charge reasonable fees on agreement to assignment, subletting or ending a tenancy (break lease fees), but do not have to disclose how the fees are calculated.
Under the healthy homes standards landlords will have to keep various records and provide them on request to the Regulator (MBIE).

Enforcement of the RTA

No infringement offences.
Penalty levels set in 2006.
Regulator (MBIE) enters into voluntary agreements for parties to comply with RTA obligations.
No ability for Regulator (MBIE) to issue improvement notices.

Tenancy Tribunal

The Tribunal can hear cases and make awards up to \$50,000.

Transitional and emergency housing

It is not clear whether the RTA applies to some transitional and emergency housing.

New



Tenants can request to install fibre broadband and landlords must facilitate installation if this can be done at no cost to the landlord.
The Ultra-Fast Fibre Broadband Scheme offers fibre installation for free.
Landlords can decline a request for fibre installation where:

- It will materially compromise the building's weathertightness or character.
- It will compromise the building's structural integrity.
- It will breach an obligation relevant to the premises.
- The landlord is going to carry out extensive renovations.



Landlords and agents cannot seek rental bids. This includes advertising rental properties with no rental price listed.
Tenants are still allowed to offer to pay more for a property if they want.
Rent cannot be increased more than once every 12 months.



The Tribunal, on the application of any party or on its own initiative, can order that names and identifying details be suppressed.
Where a party has been wholly or substantially successful in their case, identifying details can be removed from published Tribunal orders.



All assignment requests must be considered, and landlords must not decline unreasonably.
Fixed-term tenancy agreements cannot prohibit assignment.



Landlords must provide tenants with a breakdown of fees charged on agreement to assignment, subletting or ending a tenancy (break lease fees). This will give tenants an opportunity to consider if the fees are reasonable.
Landlords will also have an obligation to provide the records relating to healthy home standards on request to tenants.
Landlords will have to retain additional documents and provide them to the Regulator if required.



New infringement offence regime for straightforward breaches of the RTA.
Existing penalties increased between 50 and 80 percent.
Regulator (MBIE) can enter into Enforceable Undertakings – voluntary agreements for parties to comply with RTA obligations, with a penalty if not complied with.
Regulator (MBIE) can issue Improvement Notices to correct a breach of the RTA. Improvement Notices carry a penalty if not complied with.



Tenancy Tribunal can hear cases and make awards up to \$100,000.
Civil pecuniary penalties, higher maximum infringement fees and higher infringement fines for landlords with six or more tenancies, including boarding house landlords.



Clarifies that the RTA does not apply to transitional and emergency housing that is provided under the Special Needs Grant Programme or that is funded wholly or partly by a government department. A Code of Practice will be developed to set out expectations for transitional housing.

*This is a summary of changes. For more detail about the changes and your rights and obligations, please see the FAQs available at www.hud.govt.nz/RTA-reforms.